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Counsel for Defendant Aircraft Cylinders of America, Inc.

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

BROOK NEF and NEF FLYING)
SERVICE, INC., an Idaho corporation,)
)
Plaintiffs,)
)
vs.)
)
ENGINE COMPONENTS, INC., a)
foreign corporation; TULSA AIRCRAFT)
ENGINES, INC., a foreign corporation;)
AIRCRAFT CYLINDERS OF AMERICA,)
INC., a foreign corporation,)
)
Defendants.)
_____)

CASE NO. CIV-04-362-E-BLW

**AFFIDAVIT OF RAMA PALEPU IN
SUPPORT OF ACA'S MOTION TO
DISMISS FOR LACK OF PERSONAL
JURISDICTION**

TULSA AIRCRAFT ENGINES, INC.,)
a foreign corporation,)

Counterclaimant,)

vs.)

BROOK NEF and NEF FLYING)
SERVICE, INC., an Idaho corporation,)

Counterdefendants.)

TULSA AIRCRAFT ENGINES, INC.,)
a foreign corporation,)

Cross-Plaintiff,)

vs.)

ENGINE COMPONENTS, INC.,)
a foreign corporation,)

Cross-Defendant.)

STATE OF Oregon)
OKLAHOMA)

County of Lane)

RAMA PALEPU, being first duly sworn upon oath, deposes and says:

1. I am the president and chief executive officer for Aircraft Cylinders of America, Inc. (ACA), one of the defendants named in the above-entitled action. I make this affidavit based on my personal knowledge.
2. I have held the positions of president and chief executive officer of ACA at all times relevant to this litigation.
3. ACA's principal place of business is in Oklahoma. It is an Oklahoma corporation. It became a corporation in 1981.

4. ACA is not registered or otherwise qualified to do business in Idaho. It owns no property in Idaho and maintains no office or bank accounts in Idaho. ACA has no employees or telephone listings in Idaho. It does not maintain an agent for service of process in Idaho. ACA does not have a regional distributor in Idaho. Neither does ACA have an agent in Idaho to sell products, services or warranties.
5. ACA pays no taxes in Idaho. It does not regularly solicit business in Idaho. It does not carry out a consistent course of conduct in Idaho. ACA has done limited advertising in prior years (2001 and part of 2002 and either 1997 or 1998) in a magazine called Trade A Plane, but ACA received no response to that advertisement. ACA has no way of knowing whether any of those issues of Trade A Plane were circulated or found their way to Idaho. ACA's market is to FAA certified shops which do engine rebuilding.
6. ACA does not own stock in or otherwise control any Idaho corporation. Neither ACA, its officers, its agents, nor its employees have attended ACA related meetings or conventions in Idaho.
7. ACA is a member of the aircraft engine cylinder reconditioning industry. ACA developed a chroming process known as Nu-Chrome. Nu-Chrome is used on aircraft cylinders to improve cylinder durability and corrosion resistance while minimizing oil consumption.
8. ACA does not manufacture aircraft cylinders. It simply applies Nu-Chrome to cylinders shipped to ACA by the FAA certified shop rebuilding the aircraft engine.
9. While the cylinder is in the control of ACA, ACA does not disassemble the cylinder.
10. It is neither the usual nor customary practice for ACA to x-ray the cylinder for hairline fractures in the cylinder, nor is it the usual custom or practice of the aircraft

cylinder reconditioning industry to do so. ACA visually inspects the cylinder on at least four or more occasions during the time the cylinder is in ACA's control. During each inspection, lighted mirrors are inserted into the barrel of the cylinder. The established practice and procedure upon finding any defect in the cylinder is to reject the cylinder and to immediately notify the customer. A cylinder with a crack cannot be successfully chromed. In thirty years in this industry, I have only found cracks in incoming cylinders on two or three occasions.

11. ACA never contemplated or intended that by agreeing with owners of the cylinders to apply Nu-Chrome to the cylinder that it would be subject to lawsuits in Idaho or any other state based on manufacturing defects.
12. If ACA has to defend this lawsuit in Idaho, or its officers or employees must assist in doing so, ACA's business would be severely disrupted and negatively impacted by the absence of key personnel during the times they had to travel to Idaho to attend litigation-related matters.

FURTHER YOUR AFFIANT SAYETH NAUGHT.

DATED this 3 day of September, 2004.

AIRCRAFT CYLINDERS OF AMERICA, INC.



By: RAMA PALEPU

STATE OF

Oregon

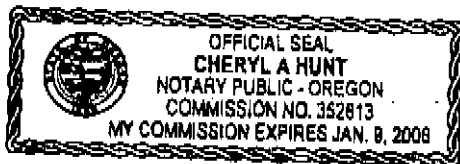
)
:SS
)

County of

Lane

On this 3 day of September, 2004, before me, a notary public for said state, personally appeared Rama Palepu, known or identified to me to be the President and CEO of Aircraft Cylinders of America, Inc., who executed the within instrument on behalf of said incorporated company, and acknowledged to me that such incorporated company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



Cheryl A. Hunt

NOTARY PUBLIC FOR:

Residing at:

My Commission Expires:

Oregon
3391 Bailey Ln
1-9-06
Eng. DR 9740

CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day of September, 2004, I served a true and correct copy of the foregoing to:

Howard D. Burnett
HAWLEY TROXELL ENNIS & HAWLEY
P.O. Box 100
Pocatello, ID 83204

☒ U.S. mail
☐ Express mail
☐ Hand delivery
☒ Fax:

Alan C. Stephens
THOMSEN STEPHENS LAW OFFICES
2635 Channing Way
Idaho Falls, ID 83404

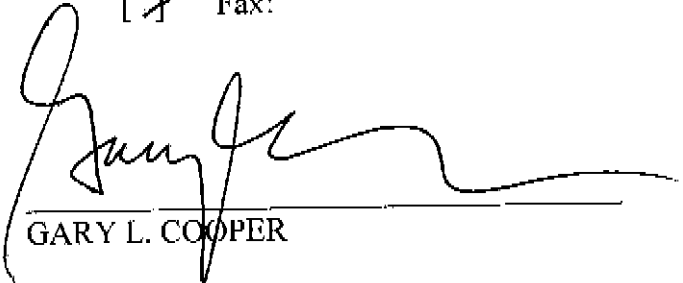
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GARY L. COOPER